



Commonwealth of Kentucky
Transportation Cabinet
Frankfort, Kentucky 40622

James C. Codell, III
Secretary of Transportation

Clifford C. Linkes, P.E.
Deputy Secretary

Paul E. Patton
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August 15, 2002

TO: Recipients of the Kentucky Transportation Cabinet's
FY 2003-2008 Six-Year Highway Plan

This booklet represents the Fiscal Year 2003-2008 Six-Year Highway Plan document, as presented by Governor Patton to the 2002 General Assembly, and as amended by the General Assembly during the Regular 2002 Session.

The FY 2003-2008 Six-Year Highway Plan presents anticipated annual funding and existing cash drawdowns against estimated project costs. Actual revenue assumptions and projections are included in this document. The \$2.4 billion in highway improvements contained in the biennial (2003-2004) element are in addition to the \$0.5 billion the Kentucky Transportation Cabinet expects to spend over the biennium for routine maintenance of the existing state road system. The expected state revenues do not match the identified state project "SP" costs for FY 2003-2008. The vast majority of these "SP" projects were originally recommended as a package supported by an additional 6 cents per gallon in state motor fuels tax. This revenue enhancement did not win approval by the 2000 General Assembly; however, the 2002 update of the Six-Year Highway Plan is commensurately out of fiscal balance.

Due to the ongoing efforts to draw down State Road Fund cash reserves, and given the unpredictable nature of current state revenue forecasts, it was determined that simply slipping project schedules to match revenue forecasts amounts to an unprecedented "guessing game." Rather than delaying projects across the board in the state projects "SP" account, it was decided to add no new projects to FYs 2007 and 2008, and then work to manage the 2003-2006 element of the Six-Year Highway Plan as actual revenues permit. Project priorities are clearly established by Fiscal Years, and every effort will be made to abide by these priorities as we implement the "SP" program of projects.



KENTUCKY TRANSPORTATION CABINET
"PROVIDE A SAFE, EFFICIENT, ENVIRONMENTALLY SOUND, AND FISCALLY RESPONSIBLE TRANSPORTATION SYSTEM
WHICH PROMOTES ECONOMIC GROWTH AND ENHANCES THE QUALITY OF LIFE IN KENTUCKY."
"AN EQUAL OPPORTUNITY EMPLOYER M/F/D"

As shown in Figure 1, both federal and state Six-Year Highway Plan revenue sources have been considered and projections made based on the most reliable financial information available. The relative proportions of federal and state highway funds made available to the Kentucky Transportation Cabinet for major highway projects are displayed in Figures 2 and 3. These charts show that state funds comprise just over one-third of the total dollars expected to be made available for major highway improvements in Kentucky between 2003 and the Year 2008. Again, it should be stressed that the state revenues may not fully support all of the projects shown for FY 2003-2008.

The FY 2003-2008 Six-Year Highway Plan contains over 1,150 major projects across the Commonwealth. In addition to the revenue assumptions and individual project listings by county, the following pages include a set of maps that illustrate the locations of many of the major highway improvements in both rural and metropolitan areas. The maps further illustrate the highway system involved by segregating projects into two primary categories, "system preservation" and "access and mobility." The maps are not sufficiently detailed to precisely locate every project but do indicate the extensiveness and relative statewide distribution of planned project activity.

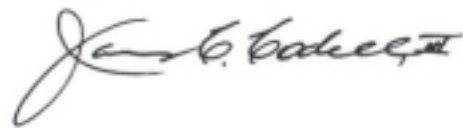
To show how the Six-Year Highway Plan fits into the Cabinet's longer-range Statewide Transportation Plan, the "access and mobility" maps also reflect the major long-range plan projects which the Cabinet intends to pursue beyond the Year 2008. The long-range plan is updated periodically and is geared to stay within forecasted funding limitations. We believe that it is important to acknowledge that the long-range plan constitutes the principal source for new projects that are added to the biennial updates of the Six-Year Highway Plan.

Consistent with past trends and current forecasts, the 2002 edition of the Six-Year Highway Plan is being developed with the expectation that future federal and state revenues will grow. Federal fund revenues are difficult to predict due to annual adjustments to multi-year federal transportation legislation enacted by Congress. For the purposes of this plan, federal fund revenue estimates were based on the return to Kentucky under the federal Transportation Equity Act for the 21st Century (TEA-21), enacted in 1998. State Road Fund receipts show only modest growth.

It is very important to acknowledge that Governor Patton has continued to challenge the Kentucky Transportation Cabinet to improve Six-Year Highway Plan project delivery systems to better meet targeted costs and schedules. The Cabinet is placing maximum emphasis on schedule monitoring and cost containment. Many of the project schedules may prove difficult to meet because of the time required to conform to current environmental regulations and time required to adhere to legal procedures often associated with right-of-way acquisitions. We have evaluated each project and established a realistic schedule based on predicated environmental, right-of-way, and other relevant issues. For each project, a schedule proposed by the 2002 General Assembly "GA Year" is shown alongside the Cabinet's most realistically expected schedule "KYTC Year," if that schedule differs from the schedule proposed by the General Assembly. As we work to improve delivery performance, we will be diligent to meet FY 2003-2004 Biennial Highway Plan schedules to the maximum extent possible.

Certainly, reductions in state fund appropriations or significant shortfalls in federal transportation program funding will result in a corresponding reduction in the Cabinet's ability to deliver all Biennial Highway Plan projects on schedule. Governor Patton has worked to ensure that our approach to the 2003-2004 Biennial Highway Plan is fiscally responsible and that a good faith effort has been made to adhere to the commitments made in the 2000 Plan. We remain confident that this plan constitutes a reasonable and prudent course for short-range highway system improvements throughout the Commonwealth.

Sincerely,

A handwritten signature in dark ink, appearing to read "James C. Codell, III". The signature is fluid and cursive, with a large initial "J" and a stylized "C" for "Codell".

James C. Codell, III
Secretary